

**Report of Visits and Discussions in Moscow Concerning  
Redirection of Russian Biological Defense Scientists  
(February 19-28, 1997)**

**1. Status of Six Initial Projects**

The proposals and work plans for the six projects (four at Koltsovo and two at Obolensk) were revised and re-budgeted in accordance with NAS recommendations and ISTC requirements, and the final drafts were then edited to ensure the readability of the English texts. The edited English versions were provided to the ISTC Secretariat in the required number of copies, and Russian versions will be prepared and submitted to the Secretariat by the institutes in the near future.

While the scientists from Obolensk and Koltsovo arrived in Moscow with what they thought were final versions, more than three days of steady effort were required by specialists from each of the institutes to transform the drafts into acceptable formats, budgets, and language. Then two days of editing were required to improve their readability. These activities were made possible because the Secretariat took the unusual step of providing space and computer facilities for the effort. In short, it is not a simple task to prepare a "fundable" proposal when work stations are in short supply and telephone lines are disconnected due to problems in paying telephone bills, even at the ISTC.

The revised proposals now include funds for air fares for Russians travelling to the United States, but not per diem allowances which are to be provided by U.S. collaborators. The proposals also include a one percent fee charged by Russian banks involved in transferring funds. Consequently, the costs to the Institutes are slightly higher than previously planned. Assuming DSWA transfers to an ISTC interest-bearing account all funds for a project up front, there will be no ISTC fee (other than the interest) for processing the proposals or assisting in managing the projects.

**2. Approval of the Proposals**

Three of the proposals did not have Russian government approval as of February 27, but such approval was anticipated on February 28 for two (hantavirus and hepatitis C) and on March 3 for one (brucellosis). After approval is obtained, proposals are assigned ISTC numbers, the Secretariat prepares cover sheet recommendations, and the proposals are sent to the ISTC Parties for approval (by mail), with a 30-day deadline. All six should be sent during the week of March 3.

**3. Launching of the Projects**

With approvals in hand, the Secretariat prepares for each project a Principle Agreement (signed by NAS, ISTC, and the Institute) and a Project Agreement (signed by ISTC and the Institute). The Secretariat (Yokoyama) proposed that these agreements be signed by all concerned parties at the time of the

April Biopreparat-NAS roundtable discussed below which should allow adequate time to have all problems resolved. Once these agreements are signed, the ISTC Finance Office (Tunney) will request DSWA to transfer funds for each project in accordance with the DSWA-ISTC Memorandum of Agreement, discussed below. After the funds are transferred, the project begins.

The ISTC secretariat (Yokoyama) concurred in my suggestion to forego an NAS-ISTC Memorandum of Agreement since the NAS is not directly involved in transferring funds, and he accepted a number of suggestions for refining the Model Principle Agreement, as follows:

The Agreement will go into effect on the day that the Center notifies the NAS and the Institute that it has received funds from DSWA.

In the event of termination of the project prior to completion, unexpended funds and equipment will be disposed of in accordance with instructions provided by NAS (which in turn would take instructions from DSWA in accordance with a proposed amendment to the NAS-DSWA contract). (Note: Since the equipment may have entered Russia duty-free, there may be limitations on the disposition of the equipment.)

NAS may terminate the Agreement if the ISTC or the Institute fail to comply with the provisions of the Agreement.

IPR rights will be shared by the Institute and the NAS, or its designee.

The IPR provisions (Annex II) will be identical to the provisions in the ISTC Statute with the wording "Financing Party" being replaced with "Partner."

Annex I will simply incorporate the work plans which have been developed.

The ISTC will send NAS a revision of Annex II for consideration, and NAS will inform ISTC if the changes suggested above are acceptable or if other changes should be made.

#### 4. Project Agreement

Two suggestions are being incorporated into a revision of the Project Agreement. First, the U.S. Government will have explicit monitoring and auditing rights, in addition to the rights of the ISTC which could be interpreted as meaning rights of the Secretariat. Secondly, the Agreement will enter into force on the day that the Secretariat informs the NAS and the Institute that it has received the funds from DSWA for the project. The Secretariat (Yokoyama) will send NAS a revised draft of the Agreement for review and modification if necessary.

#### 5. DSWA-ISTC Memorandum of Agreement

According to the Secretariat (Tunney), an increase in the dollar ceiling of the Memorandum may be needed to accommodate funds for the NAS projects, if not this year then next year should the program continue. Assuming that the ceiling problem is

resolved, the transfer of funds should be straight forward, with the Secretariat simply informing DSWA that the Project Agreement has been signed (the triggering act) and that funds should be transferred to cover the total costs of the project.

#### 6. Partner Status

During the visit, the Secretariat (Gerard) discovered that while the EU and Japan had approved Partner status for NAS, the Russians had lost the NAS paperwork together with paperwork for Dow Chemical, 3M, and other potential partners. However, during my visit, the Russians promised to regroup and address the requests, presumably before the ISTC Board meeting in mid-March.

#### 7. ISTC-Sponsored International Symposium

The Secretariat (Kondratenkov) has made impressive progress in organizing an International Symposium on Dangerous Pathogens in June in the Volga region near Kirov, with significant participation by MOD scientists. The Ministry of Defense has resisted holding the symposium at a military base, on the grounds that the facilities are in bad shape for an international group. However, discussions are continuing, and the latest variant proposes to have two days of meetings at Omutninsk and two days at a site very close to Kirov.

The next step is for the ISTC Governing Board to approve the symposium which may require pressure from the U.S. Government since the Secretariat (Kruchenkov) said that all symposium funds have been committed. I stated that NAS would contribute up to \$15,000 of the estimated total of \$40,000.

The logistics will be difficult since Omutninsk is a 200-kilometer bus ride from Kirov which is a 2-3 hour flight from Moscow. Nevertheless, this remoteness underscores the importance of the meeting to be held near the location of key MOD and Biopreparat scientists.

The Secretariat will send us very shortly the latest version of the agenda. If the Governing Board approves the Symposium, we will have an opportunity to further influence the agenda, taking into account the results of the Biopreparat-hosted roundtable discussed below.

It is not clear how we will transfer funds for the Symposium. Presumably, DSWA could handle this simply as another ISTC project; but other variations might also be considered.

#### 8. ISTC Experience in Engaging MOD Scientists

Secretariat staff noted two problems encountered in trying to interest MOD in participation in ISTC projects. First, military bases have a special status and requiring ISTC monitoring and auditing rights at the bases would cause serious administrative problems. Secondly, MOD scientists carry special "cards" and not passports; and MOD is not interested in having the contents of these cards exposed which would be required if they were to be paid with ISTC funds.

Several approaches to circumvent these problems have been

suggested but not yet adopted. MOD scientists could be detailed to Biopreparat facilities. New buildings could be constructed just outside the military base. Military personnel could be issued a second type of identity card which would be accepted by the banks for payment of salaries.

#### 9. Support from the State Committee for Science and Technology

In separate meetings, both Deputy Prime Minister Vladimir Fortov and Biology Division Chief Mshenskiy offered to provide assistance as the bilateral program of redirection develops. They were pleased to learn of the status of the six projects, and I urged their support in prompt governmental approval of the three that had not yet received the State Committee's stamp. I advised them both that Biopreparat was currently taking the lead for bridging the gap to MOD in planning for Phase II and informed them that should we encounter administrative or other problems, we will take them up on their offers of assistance.

#### 10. Meeting at Biopreparat

Professor Yuri Kalinin, Director General of RAO Biopreparat, received me in the headquarters of Biopreparat--the well maintained former residence of Count Smirnov who was the founder of the vodka factory now known as Cristall, located adjacent to the residence. Staff members Shcherbakov and Zaitsev were also present. We met in a barren conference room with a few dusty conversion display products (drugs, medical supplies) piled at one end of the room. He had done his homework for the 90-minute meeting, having received our preliminary proposal for a workshop agenda three days prior to the meeting.

After confirming Biopreparat's readiness to host a "roundtable" on April 15-16 in order to discuss future cooperation, he made a number of suggestions concerning the two-day meeting, with almost all of the substance of his proposals repackaged versions of our proposals. He seemed to have three concerns: (1) he should play a central role with a keynote speech on the first morning, (2) the second day should be directed to concrete programs and not concepts, and (3) the emphasis should be on public health concerns--in Russia (including within the Army) and throughout the world.

He proposed to structure the roundtable as follows:

**First day:** Two keynote overview presentations (U.S. specialist and Kalinin) followed by ten very brief presentation (5 U.S. and 5 Russian) elaborating on areas mentioned in the keynote presentations.

**Second day:** Discussion of concrete programs based on papers exchanged in advance.

Among the topics he mentioned for the first day were: principal areas of cooperation including monitoring, diagnostics, and prophylaxis for infectious diseases; goals of joint programs including anti-terrorism and public health; approaches to addressing problems; institutions which should be involved; topics that are best addressed by joint programs and those that

are best addressed by national programs; relationship of activities to BW convention; and sources of financing.

Among the topics for the second day were programs for research in specific areas and programs for epidemiological monitoring.

I indicated that the format he proposed seemed quite interesting, and he urged me to send him our specific ideas concerning the packaging of the topics to be considered.

As to attendees, he indicated he would have specialists from various organizations involved in infectious diseases and other pathogens. When asked about the MOD, he said that their specialists would participate "as necessary," with the rather clear implication that they would be there. He noted that several bureaucrats from different ministries would be invited since they would have to approve implementation of any program that was recommended. He suggested about ten specialists on each side and indicated they would await our list before putting together their team. He agreed that we should emphasize individuals who have practical experience in dealing with dangerous pathogens.

With regard to logistics, he suggested holding the meeting at a sanatorium in the Moscow area; and he will make inquiries as soon as we inform him as to the number of participants. He noted that since this was our initiative, and since they were strapped for money, we should pay most of the bill. But he added they would try their best to help. In any event, he will send us an itemized budget as soon as they make the preliminary arrangements.

Another point concerns Phase 2 and the role of Biopreparat which is undoubtedly interested in financial benefits not only for the institutes but also the headquarters. He proposed that we consider annual conferences to review overall developments in cooperation and also two to three workshops on different technical topics each year. He may have in mind that the organization of these activities would be a role for Biopreparat.

Finally, he urged that at some appropriate time the program be brought under the Gore-Chernomyrdin umbrella.

GESchweitzer/nrc/oia/ocee  
3/3/97